The law is well settled that the parol evidence rule is not violated by evidence supporting the defendant's contentions. The decision in the instant case is clearly wrong. N. I. L. § 16; *Seattle National Bank* v. *Becker* (1913) 74 Wash. 431, 133 Pac. 613; *Niblock* v. *Sprague, supra; contra, Clanin* v. *Esterly Harvesting Mach. Co.* (1889) 118 Ind. 372, 21 N. E. 35.

BILLS AND NOTES—POWER OF REMITTER TO INDORSE IN NAME OF FICTITIOUS PAYEE.—The purchasing remitter of a draft which the drawer-drawee did not know to be payable to the order of a fictitious person, indorsed in the name of the fictitious payee, and delivered the draft to the defendant, a bona fide purchaser. Upon discovering that the remitter had paid with worthless checks, the drawer-drawee sued to recover the amount of the draft which was paid the defendant. *Held*, for the plaintiff. *American Exp. Co.* v. *People's Sav. Bk.* (Iowa 1921) 181 N. W. 701.

Under the Negotiable Instruments Law an instrument payable to the order of a fictitious person is not payable to bearer when the drawer does not know of the fictitious character of the payee. N. I. L. § 9; see *Seaboard Nat. Bk.* v. *Bank of America* (1908) 193 N. Y. 26, 35, 85 N. E. 829; *Boles* v. *Harding* (1909) 201 Mass. 103, 107, 87 N. E. 481. Not being a bearer instrument, indorsement is necessary for its negotiation. N. I. L. § 30. The signing of a fictitious name with intent to defraud is forgery. *Harmon* v. *Old Detroit Nat. Bk.* (1908) 153 Mich. 73, 116 N. W. 617. Title to an instrument cannot be acquired through an unauthorized indorsement. N. I. L. § 23; *Standard Steam Spec. Co.* v. *Corn Ex. Bk.* (1917) 220 N. Y 478, 116 N. E. 386. The only method of reaching a different conclusion is to conceive that the remitter assumed the fictitious name for the purposes of the transaction. It may be urged that this would lead to a more equitable result since the remitter is the real party in interest. He can sue the drawer on the draft, and can assign his claim as a common law chose in action. See (1920) 20 COLUMBIA LAW REV. 755. The identity of the payee is immaterial to the drawer. He intended the instrument to be transferred by the remitter free of prior equities, and the way to effectuate this intention is to give the remitter a power to negotiate by indorsing in the fictitious name.

BILLS AND NOTES—STATUTES—HOLDER IN DUE COURSE.—A statute, Utah, Comp. Laws (1917) §947, provided that "Every contract . . . entered into [by a foreign corporation failing to comply with certain statutory requirements] shall be wholly void on behalf of such corporation and its assignees and every person deriving any interest or title therefrom . . ." The defendant executed and delivered a negotiable promissory note endorsed in blank to such a corporation, which transferred it by indorsement to the plaintiff, a holder in due course. *Held*, the maker was not liable. *First Natl. Bank of Price* v. *Parker* (Utah 1920) 194 Pac. 661.

Under the Uniform Negotiable Instruments Law, §§ 57 and 60, a holder in due course may recover irrespective of whether or not the payee may sue upon the note. *First Natl. Bank.* v. *Utterback* (1917) 177 Ky. 76, 197 S. W. 534; *Edwards* v. *Hambly Fruit Co.* (1915) 133 Tenn. 142, 180 S. W. 163; *McMann* v. *Walker* (1903) 31 Colo. 261, 72 Pac. 1055. Similarly, under a statute providing that contracts are void on behalf of any foreign corporation failing to register, and also on behalf of its assignees, a note is valid in the hands of an innocent indorsee for value. *Commercial Natl. Bank* v. *Bank of Jordan* (1916) 71 Fla. 566, 71 So. 760; *Natl. Bank of Commerce* v. *Pick* (1904) 13 N. Dak. 74, 99 N. W. 63. Even where a statute provided that all contracts with such a corporation should be null and void, the court pro tanto nullified it by holding the maker liable to a holder in due course. *Citizens Natl. Bank.* v. *Buckheit* (1916) 14 Ala. App. 511, 71 So. 82; but see *Jones* v. *Martin*

(1917) 15 Ala. App. 675, 678, 74 So. 761 (dictum purporting to overrule *Citizens Natl. Bank* v. *Buckheit, supra*). The object of requiring registration of foreign corporations seems to be adequately accomplished by penalizing the corporation and its indorsees with notice. *Cf. Finseth* v. *Scherer* (1917) 138 Minn. 355, 165 N. W. 124. Hence, in construing doubtful statutes, the holder in due course should be favored. But in the instant case the result is sound, for the statute there expressly negatives the existence of any rights in the plaintiff, despite the fact that he is a holder in due course.

CARRIERS—LIMITATION OF LIABILITY.—Goods were shipped by the plaintiff's assignor from Japan to New York under a through ocean bill of lading which limited liability to a stated value. The goods were destroyed in transit over the defendant's line, while in its custody. To the claim for full value, the defendant interposed the stipulation in the bill of lading limiting liability. *Held,* for the plaintiff. *Union Pacific Ry.* v. *Burke* (1921) 41 Sup. Ct. 283.

The carrier from Japan to San Francisco, under the ocean bill, was not subject to the act to regulate commerce. *Pacific Mail etc. Co.* v. *Western Pacific Ry.* (C. C. A. 1918) 251 Fed. 218; see *Armour Packing Co.* v. *United States* (1908) 209 U. S. 56, 77, 78, 28 Sup. Ct. 428. But rule 9A in the schedules of the defendant railroad, filed with the Interstate Commerce Commission, required application of the provisions in its uniform bill of lading to the transportation after reaching port in the United States. See (1906) 34 Stat. 587, § 6, U. S. Comp. Stat. (1916) §§ 8569, 8597; *Southern Ry.* v. *Prescott* (1916) 240 U. S. 632, 638, 36 Sup. Ct. 469. These provisons, in conformity with prior decisions, permit the carrier to limit its liability to a valuation declared by the contract of shipment—fairly made—to which an alternative valuation rate is applied. *Pierce Co.* v. *Wells Fargo & Co.* (1914) 236 U. S. 278, 35 Sup. Ct. 351; *Great Northern Ry.* v. *O'Connor* (1914) 232 U. S. 508, 34 Sup. Ct. 380; *cf.* (1916) 39 Stat. 441, U. S. Comp. Stat. (1916) § 8604a. The defendant was under an imperative duty to file tariffs with the Commission. See (1906) 34 Stat. 587, § 6, U. S. Comp. Stat. (1916) § 8569; *American Sugar etc. Co.* v. *Delaware etc. Ry.* (C. C. A. 1913) 207 Fed. 738. Rates and fares so filed could be the only lawful charge. *Louisville etc. Ry.* v. *Maxwell* (1915) 237 U. S. 94, 35 Sup. Ct. 494; see *Dayton etc. Co.* v. *Cincinnati etc. Ry.* (1915) 239 U. S. 446, 451, 36 Sup. Ct. 137. Therefore the defendant, having filed but one rate, could not lawfully offer an alternative and was correctly held unable to limit its liability.

CONSTITUTIONAL LAW—IMPAIRMENT OF CONTRACTS—EXEMPTION FROM EXECUTION.—A Louisiana statute exempted from debts of the assured the avails of life insurance payable to his estate. *Held,* Mr. Justice Clarke dissenting, that the statute, so far as it applied to existing obligations, was unconstitutional. *Bank of Minden* v. *Clement* (U. S. Oct. T. 1920) No. 238.

The conventional formulae applied to problems under the contract clause (U. S. Const. Art. I, § 10) are characteristically and conveniently elastic. See *Von Hoffman* v. *City of Quincy* (U. S. 1866) 4 Wall. 535, 553; *Penniman's Case* (1880) 103 U. S. 714, 720. Philosophically, a legal obligation seems unimpaired so long as a coextensive judgment be obtainable. But the Supreme Court, with admirable pragmatism, take "impairment of the obligation" in the constitutional sense, to mean material impairment in value of the obligation. See *Von Hoffman* v. *City of Quincy, supra,* 553, 555; *Edwards* v. *Kearzey* (1877) 96 U. S. 595, 607. However, factual impairment is permitted under a proper exercise of the police power, the doctrine being that persons contract subject thereto. *Douglas* v. *Kentucky* (1897) 168 U. S. 488, 18 Sup. Ct. 199; *Marcus Brown Holding Co., Inc.* v. *Feldman* (U. S. Sup. Ct. 1921) 65 N. Y. L. J. 293; but *cf. Detroit* v. *Detroit etc. St.*